

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

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MEMORANDUM

TO: Greenfield Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: November 30, 2017

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made, on average, on January 1 of each fiscal year. The schedule is effective in FY18 (since the amount under the prior schedule was maintained in FY18) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 7.60% to 7.40%.

If you have any questions, please contact PERAC's Actuary, Jim Lamenza, at (617) 666-4446, extension 921.

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Greenfield Retirement System January 1, 2017 Actuarial Valuation

Total appropriation increases 10% until FY21 then 7.07% until FY34, with final amortization payment in FY35

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Amort. of 2002 ERI</u>	<u>Amort. of 2003 ERI</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	<u>% Increase Total Cost</u>
2018	1,604,606	300,000	2,147,815	161,082	12,497	4,226,000	51,530,866	
2019	1,676,814	300,000	2,490,959	168,331	12,497	4,648,600	52,936,865	10.00%
2020	1,752,270	300,000	2,872,787	175,906	12,497	5,113,460	54,083,551	10.00%
2021	1,831,123	300,000	3,309,862	183,822		5,624,806	54,911,280	10.00%
2022	1,913,523	300,000	3,616,863	192,094		6,022,480	55,351,765	7.07%
2023	1,999,632	300,000	3,947,900	200,738		6,448,269	55,497,908	7.07%
2024	2,089,615	300,000	4,304,776	209,771		6,904,162	55,302,616	7.07%
2025	2,183,648	300,000	4,689,427	219,211		7,392,286	54,713,425	7.07%
2026	2,281,912	300,000	5,103,933	229,075		7,914,921	53,671,960	7.07%
2027	2,384,598	300,000	5,550,524	239,384		8,474,505	52,113,355	7.07%
2028	2,491,905	300,000	6,031,592	250,156		9,073,653	49,965,609	7.07%
2029	2,604,041	300,000	6,811,120			9,715,160	47,148,891	7.07%
2030	2,721,222	300,000	7,380,800			10,402,022	43,574,778	7.07%
2031	2,843,677	300,000	7,993,768			11,137,445	39,145,422	7.07%
2032	2,971,643	300,000	8,653,220			11,924,862	33,752,646	7.07%
2033	3,105,367	300,000	9,362,583			12,767,950	27,276,954	7.07%
2034	3,245,108	300,000	10,125,536			13,670,644	19,586,449	7.07%
2035	3,391,138	300,000	10,911,576			14,602,715	10,535,665	6.82%
2036	3,543,739	300,000				3,843,739	0	-73.68%

All amounts assume payments will be made January 1 of each fiscal year.
Normal cost includes expenses of \$300,000 and is assumed to increase 4.5% each year.
FY18 appropriation maintained at the same level as the prior schedule.